

STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA DIRECTOR

Deputy Directors MICHAEL D. FORMBY FRANCIS PAUL KEENO BRIAN H. SEKIGUCHI JIRO A. SUMADA

IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Issuance of Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions
Honolulu International Airport

OAHU

The Department of Transportation (DOT) proposes to offer two Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions at the Honolulu International Airport on the Island of Oahu. The following contains a description and summary of some of the major terms and conditions that the DOT anticipates incorporating into the Concession Agreement ("Agreement"):

PURPOSE:

To award Agreements to two qualified Concessionaires submitting the highest bids to operate non-exclusive Concessions at Honolulu International Airport.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.

LOCATION:

Honolulu International Airport (HNL), Terminal Building Complex.

PREMISES:

At Commencement of the Agreement.

- 1. <u>Passenger Service Space</u>.
 - a. Interisland Terminal Complex, Building 310 Space No. 151A, containing an area of approximately 73 square feet as shown on

- Exhibit B-1 dated December 2009, attached hereto and made a part hereof.
- b. Interisland Terminal Complex, Building 310 Space No. 151C, containing an area of approximately 79 square feet as shown on Exhibit B-1 dated December 2009, attached hereto and made a part hereof.
- c. Diamond Head Extension, Building 341 Space No. 108A, containing an area of approximately 62 square feet as shown on Exhibit B-4 dated December 2009, attached hereto and made a part hereof.
- d. Diamond Head Extension, Building 341 Space No. 108D, containing an area of approximately 62 square feet as shown on Exhibit B-4 dated December 2009, attached hereto and made a part hereof.
- e. Ewa Extension Domestic Building, Building 344, Space No.102F, containing an area of approximately 30 square feet as shown on Exhibit B-3 dated December 2009, attached hereto and made a part hereof.
- f. Ewa Extension Domestic Building, Building 344, Space No. 102G, containing an area of approximately 30 square feet as shown on Exhibit B-3 dated December 2009, attached hereto and made a part hereof.
- g. International Arrivals Building, Building 346, Space No. 104E, containing an area of approximately 31 square feet as shown on Exhibit B-2 dated December 2009, attached hereto and made a part hereof.
- h. International Arrivals Building, Building 346, Space No. 104F, containing an area of approximately 31 square feet as shown on Exhibit B-2 dated December 2009, attached hereto and made a part hereof.

2. Bus Parking and Passenger Pickup/Dropoff

- a. Space No. 610-203A, containing an area of approximately 657 square feet as shown on Exhibit B-5 dated December 2009, attached hereto and made a part hereof.
- b. Space No. 610-203B, containing an area of approximately 657 square feet as shown on Exhibit B-5 dated December 2009, attached hereto and made a part hereof.
- c. Space No. 610-171 F & G, containing an area of approximately 140 square feet as shown on Exhibit B-7 dated December 2009, attached hereto and made a part hereof.
- d. Space No. 610-171 H & J, containing an area of approximately 140 square feet as shown on Exhibit B-7 dated December 2009, attached hereto and made a part hereof.
- e. Space No. 610-193F, containing an area of approximately 857 square feet as shown on Exhibit B-6 dated December 2009, attached hereto and made a part hereof.
- f. Space No. 610-193G, containing an area of approximately 857 square feet as shown on Exhibit B-6 dated December 2009, attached hereto and made a part hereof.

ZONING:

Land Use:

Urban

County:

Industrial (I-2)

TAX MAP KEY:

Honolulu International Airport, Island of Oahu, Hawaii 1st Division – 1-1-03:Portion of 1

LAND STATUS:

Section 5(a), Hawaii Admission Act –Non-Ceded DHHL 30% entitlement lands Yes___ No_X_

TERM:

Five (5) years.

CONCESSION FEE:

<u>Annual Concession Fee.</u> The total annual Concession Fee shall be the greater of the following:

- a. <u>Minimum Annual Guaranteed Fee</u>. The minimum annual guaranteed fee for the first year of the term of the Concession Agreements, as set forth in the Concessionaires' Bid Proposals; or
- b. <u>Percentage Fee. Fifteen</u> per cent (15%) of the Concessionaires' annual gross receipts generated from, related or attributable to, or connected with the operation of the concession.

IMPROVEMENTS:

The Concessionaires will be required to invest a minimum total of \$10,000.00 for improvements, certain fixtures and equipment on or within the premises of the spaces assigned under the Concession Agreement in accordance with DOT and county building standards.

BASIS OF AWARD:

The award of the Agreements will be to the two highest responsible bidders, based upon the total amount of the minimum annual guaranteed concession fee bid for the five-year term of the Agreement.

REMARKS:

The Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions at Honolulu International Airport should provide an improved level of customer services over the existing exclusive concession. The Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions provide a valuable service to the traveling public by providing an alternative to private vehicles, rental cars and taxis as a means of getting to and from the airport.

RECOMMENDATION:

That the Board authorize the call for sealed bid tenders and issuance of two new Non-Exclusive On-Demand Airport-Based Shuttle Bus Concessions as hereinabove outlined, subject to (1) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (2) review and approval of the Department of the Attorney General as to the agreement form and content.

Respectfully submitted,

BRENNON T. MORIOKA, Ph.D., P.E.

Director of Transportation

APPROVED FOR SUBMITTAL:

LAURA H. THIELEN Chairperson and Member













